

State of California

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Legislative Change No.

00-06

Bill Number: AB 465

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Chapter Number: 00-103

Laws Affecting Franchise Tax Board:

Revenue and Taxation Code Sections 17052.12 and 23609

Date Filed with the Secretary of the State: July 10, 2000

SUBJECT: Research Expense Credit/Increase Alternative Incremental Credit

Assembly Bill 465 (Nakano), as enacted on July 10, 2000, made the following changes to California law:

Revenue and Taxation Code Sections 17052.12 and 23609 are amended.

This act increased the state alternative incremental research expense credit from 80% to 85% of the prior federal credit amount. Thus, the prior federal percentages of 1.65%, 2.2% and 2.75% are replaced with 1.40%, 1.87% and 2.34%, respectively.

This act is effective on July 10, 2000, and is operative for taxable or income years beginning on or after January 1, 2000. **However, AB 511 (Stats. 2000, Ch. 107) chaptered out this act. Thus, the changes to Revenue and Taxation Code Sections 17052.12 and 23609 made by AB 511 and not this act are law.**

This act will not require any reports by the department to the Legislature.

Bureau Director
Johnnie Lou Rosas

Date
July 13, 2000